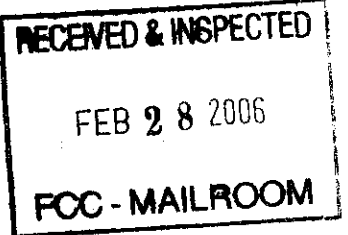


Alamogordo Public Schools

2211 Laurel Avenue

Alamogordo, NM 88311-0650

Phone: (505) 439-3211 * Fax: (505) 439-3211



"Bridging the gap between education, technology and information."

Technology Support Services

February 22, 2006

Federal Communications Commission
Office of the Secretary
445 12th Street SW
Room TW-A325
Washington, DC 20554

**CC Docket No. 02-6 REQUEST FOR REVIEW
FRN 1036354, 1036383, 1044434**

Dear Secretary:

I am writing to file an official appeal to an Erate (USAC) ruling on behalf of the Alamogordo Public Schools. I apologize up front for the length of this appeal and any potential emotional tone, but this whole process has been extremely frustrating, time consuming and illogical.

First, a bit of history:

In January of 2003, the Alamogordo Public Schools (APS) filed a 471 with the USAC asking for funding for various parts of a RFP for cabling, network electronics, video and voice capabilities for our 16 schools. In order to best utilize our districts' economic numbers, we filed for our 90% schools together, 80%, and 70% each together and separately. In July of 2004 (after the year 6 had officially ended) we received several commitment reports. Our 90% and 70% schools were denied funding due to a lone phrase "price was not the primary factor" explanation. However, we did get funding for our 80% schools using the same RFP, documentation and explanations as we had for the others. We did not appeal the other commitments (due to the inconsistencies in funding), as the one funding of over a \$1,400,000 was a large enough project to get us started.

Due to the tardiness of the original commitment, we then had to look at how to fit the project into the vendor's schedule. We continued working with the vendor to begin the initial phases of the projects, but realized that we would not be able to complete it in the time frame necessary, even with the automatic time extension allowed with the commitment (September, 2005). We applied for an implementation extension request in May, 2005 and was given approval in July, 2005. The extension gave us until September, 2006 to finish the project. We had gone ahead and begun the "meat and bones" of the project in June, 2005. We completed one entire school in September, 2005 and had begun a second school when the reversal of the funding commitment came in October, 2005 (1-1/4 years after original funding commitment). We had already paid our matching monies and the vendor was getting ready to submit their side for reimbursement when we were told the entire amount was being rescinded.

No. of Copies rec'd 0
List A B C D E

In addition to the inconsistencies and subjective nature of this process, the district feels that pulling funding in the middle of the project sets a very bad precedence and will continue to scare districts and vendors away from the process. What vendor, in their right mind, would enter into a process where their money is not guaranteed once the funding commitment has been sent other than for illegal intentions? It also puts the district at an extreme disadvantage, that while we are supposed to show we have the matching monies, we are not in a position to fund the entire project at the same level as when the proof was provided in the application year (2-1/4 years earlier) and would not have proceeded without a SLD commitment.

Attached, you will find the original appeal letter and documentation submitted to the SLD in November, 2005. You will also find their denial letter with reasons. In the denial letter, it has become apparent, in an effort to defend themselves, they are reaching for new reasons to support their reversal. Attached, you will also find printouts from the SLD website that specifies procurement protocols and that we are also obligated to follow state and local procurement procedures. USAC requirements and state and local procurement regulations are not guaranteed to be in sync. We had adequately proved that price was indeed our primary concern. However, they **then** said that ineligible items were in the cost comparisons. Well, legally, we can not separate out what the SLD considers eligible and ineligible and still meet state procurement standards. We have to look at the whole picture. Additionally, it does not make sense that eligible costs would be the only ones we could legitimately consider as primary. The other side of the coin on that argument, is that the particular "funded" FRNs (funding request number) that are at issue are cabling and network electronics, **which are pretty much 100% eligible** regardless. Any ineligible pieces would be miniscule at best. All the other FRNs were already disallowed. If you were to look at all our funding requests together (year 2003-2004), you would see that we actually selected two of the three possible vendors for different internal connection services based on cost analysis. In the world of procurement, how much fairer is that?

So the reasoning from the USAC, extremely subjective, illogical and flawed, has become a standard for the Erate program and a moving target for districts. In an effort to allegedly protect the program from abuse and fraud, the SLD has designed a program that has become an increasing paperwork albatross, which discourages and hinders the very schools and districts it was designed to help, from applying for the funding. If you look at this year's (2006-2007) request amounts, you will see the lowest dollar amount requested since year 2 of the program. Congress will be told that it is because the new rules are working. I believe this points to the fact that more and more districts are giving up on the process due to the increase bureaucratic demands of the program.

The Erate process assumes that school districts have unlimited personnel resources and expertise to follow the process and fill out the increasing amount of paperwork. Alamogordo is actually one of the lucky ones, to have a position like mine, which, to date, I have been able to redirect my time and dedicate the hundreds of hours of work needed to organize, complete and respond to SLD paperwork. I pity the poor smaller "rural" schools, which the program was actually designed to help, as they may not have the expertise or resources to coordinate the process adequately.

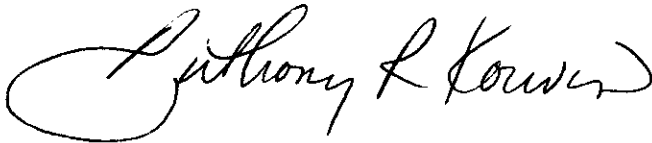
I also find it somewhat amusing, to see Ms. Jones' response to an inquiry to Senator Pete Domenici (see also attached), where she points out that the commission has had a "broad inquiry into the management, administration, and oversight of the Universal Service Fund" and adds that open comments are being accepted through December 19, 2005 on a letter dated December 20, 2005. What was the point of even bringing it up? So were my comments through Senator Domenici included in that inquiry (they were received by the FCC by the date specified)?? How was input solicited?? If you want input, I have plenty of it. The program, which was designed to help rural schools, has actually appeared to take great pride in rejecting millions of dollars in

funding requests directed at rural school districts such as Alamogordo, NM and then pointing to fraud in large urban areas (Chicago, San Francisco, Atlanta) as the reason for increased scrutiny. Hello!!?? Does anyone else see the dichotomy there?

I am hereby requesting the full reinstatement of the original funding commitment of \$1.4 million for Year 6 Internal connections. I will be in the Washington, DC area the week of March 6-9, 2006 and again March 22-24, 2006. I would welcome a meeting with you to discuss this appeal further with you at that time.

I feel the Erate program is a very valuable resource for public schools and libraries, but want to see a systemic overhaul of the process to streamline applications, funding and reimbursement based on objective components not subjective ideas. Please feel free to contact me at any time.

Sincerely,




Tony Korwin, Director
Technology Support Services
arkorwin@aps.k12.nm.us

505-442-0013 cell

CC: Senator Jeff Bingaman, NM
Senator Peter Domenici, NM
Representative Steven Pearce, NM
Governor Bill Richardson, NM
Senator John Cornyn, TX
Ferdinand Serim, Bureau Chief, NM Public Education Department

Appendix 1

Original Appeal and documents



Alamogordo Public Schools
1211 La Jolla Avenue
P.O. Box 650
Alamogordo, NM 88311-0650
Phone: (505) 439-3211 * Fax: (505) 439-3211

"Bridging the gap between education, technology and information."

Technology Support Services

November 10, 2005

Schools and Libraries Division
USAC
Box 125 – Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

Appeals for FRNs 1044434, 1036354, 1036383

Dear Appeals Review:

This letter is to appeal the recent "Notification of Commitment Adjustment Letter" (October 13, 2005) which retracted funding for Year 6 projects for the Alamogordo Public Schools. The following is the SLD's justification for adjustment:

"After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of the review, it was determined that the price of the eligible products and services was not the primary factor in the vendor selection process. This determination was based on the bid evaluation sheets provided by the applicant, which indicated that District Funds Consideration was 30% of the primary factor and price was 20%. FCC rules require that applicants select the most cost-effective product and/or service offering, with price being the primary factor. Applicants may take other factors into consideration, but in selecting the winning bid, price must be given more weight than any other single factor. Ineligible products and services may not be factored into the cost-effective evaluation. Since price was not the primary factor in the vendor selection process, the commitment has been rescinded in full and SLD will seek recovery of any disbursed funds."

This finding is inaccurate and incomplete. The finding is due to a reviewer's attempt to replace one document for another, when the one should be viewed as a supplement to the other. The evaluation sheets were provided in answer to a PIA request in April 2004, for a breakdown of the "District Funding Considerations" that were stipulated in the RFP. The RFP states that

" AISD requires each vendor to provide effective assistance in securing erate funding for technology integration throughout the school district. In addition, AISD desires to understand the up front investment that must be made with district funds to be prepared to take advantage of other funding opportunities.

- 1) Describe in detail what the district can expect in the level of assistance that will be provided by the vendor to secure Erate funding. Identify how much effort will be required by AISD in obtaining this funding. Specify the services available to the district for project planning, specialized program assistance, and other services provided to the district dealing with the Erate program.
 - a. ***Specify the costs to the district for all services discussed in the previous item.***
 - b. ***Specify the costs to the district for all SOWs bid on as described by Letter D – Technology Solutions. (Total cost sheet)***
 - c. Provide at least 3 references where the vendor has been successful in securing funding for technology projects.

It is easy to see that price consideration was a major part of the District Funding considerations. In an effort to further enforce/require that pricing is an important part of the selection (according to FCC regulations), for the evaluation sheet, a separate component was added as a **supplement** to the District Funding considerations, **not a replacement**. If you add it to the DFC, you will see that pricing ended up being a very large part of the consideration for vendor selection, or 50 of the possible 100 points.

There are also several concerns that I have about having this funding rescinded at this late date.

- 1) This application had already been through several levels of PIA reviews/reviewers and had systematically been escalated through the system to a funding status, meeting previous reviewers expectations of the intent of the program. Why such a late reflective review?
- 2) The original funding commitment was granted an extension in June of 2005, due to the lateness of the original commitment and the problems that ensued getting on the vendors schedule. Year 6 was a 2003-2004 award year.
- 3) The project began last spring and is about half way through, though the vendor has not yet applied for reimbursement, the district has expended its matching and the vendor is currently expecting payment for a substantial amount of money which is beyond the scope of the district's monetary plans and expectations and threatens to put a viable vendor out-of-business. This was a \$1.4 million dollar original award.

Thank you in advance for your consideration of this appeal.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Korwin". The signature is fluid and cursive, with a large loop at the beginning and a trailing end.

Tony Korwin, Director
Technology Support Services

Cc: Senator Jeff Bingaman
Senator Pete Domenici
Congressman Steve Pierce
Governor Bill Richardson
New Mexico Public Education Department

Tony Korwin - Re: E-rate Selective Review# SR-2003-143365

From: Korwin
To: Christine Wittrien
Date: 4/12/2004 1:04 PM
Subject: Re: E-rate Selective Review# SR-2003-143365

Dear Ms Wittrien:

In going back through our paperwork for the vendor selection, we did not have a further breakdown of the "District funding considerations".... Last year, though we had 6 vendor proposals submitted, only three attempted to adequately address the RFP in any meaningful way... The scoring confirmed this and we invited each of those three to present to the district. Attached, please find the file of the scoring matrix that was distributed to each RFP reader for each vendor... If you have further questions, please do not hesitate to call me... I will be out of town the remainder of this week, but will be back Monday, April 19. You can reach me on my cell phone the remainder of this week... 505-442-6629..

Thank you for your continued consideration.

tony

Tony Korwin, M.Ed., MCSE, CCNA, CNA, WCNE
Technology Support Services arkorwin@aps.k12.nm.us
Alamogordo Public Schools
1211 Hawaii Ave
Alamogordo, NM 88311-0650
505-439-3270 x 151
505-439-3211 fax

>>> "Christine Wittrien" <cwittri@sl.universalservice.org> 4/7/2004 7:31:20 AM >>>

Dear Mr. Korwin,

Thank you for sending me your year 6 2003-2004 RFP for Internal Connections, the missing pages were the criteria for vendor selection. The RFP describes 6 criteria to be used in evaluating competing bids. Furthermore, the RFP also indicates the weighing (i.e. points) assigned to each criterion. For the criterion "E. District Funding Considerations" the overall weighing is 30 points. Please provide the individual weighing, if any, for paragraphs E1, E1a, E1b and E1c. If there are individual points for each paragraph, the total should be 30 points.

Christine Wittrien
Associate Manager
Schools and Libraries Division
Voice: 973-884-8361
Fax: 973-599-6515
E-mail: cwittri@sl.universalservice.org

Scoring matrix		
Vendor:		
Availability and quality of resources	20 points	
Skills transfer plan	10 points	
Project coordination	15 points	
Technology solutions / price	30 points	
District funding considerations	20 points	
other vendor attributes	5 points	
	100 points	

RFP related
section to appeal
+ cost

1 General Information

1.1 Eligible Vendors

An eligible vendor must have the financial stability to handle a protracted federal payment practice, as well as have the ability to scale their workforce in the field to meet time deadlines. In addition a firm must demonstrate competence as a systems integrator in handling projects that are:

- ◆ Complex, in those solutions requiring the integration of multiple technologies, with the involvement of multiple vendors as subcontractors.
- ◆ Long term, with the management of projects that may span several years including the leadership required to successfully conclude a project on time and budget.

1.2 Response Format

Each response will be reviewed to determine if it is complete before evaluation. Any response not containing the information requested will not be considered. Responses will be evaluated according to the materials and substantiating evidence presented.

1.3 Legal Approach

Vendors will include a Master Customer Agreement contract that will delineate general terms and conditions in contract matters between themselves and the district. Vendors will then include a Statement of Work (SOW) for each part of the RFP that is being bid upon. The SOW when accepted and signed along with the Master Customer Agreement will constitute the complete contractual agreement for that project.

2 Selection Process

2.1 Submission of Written Qualifications

AISD will review and evaluate the response to the RFP in accordance with the qualification evaluation criteria identified herein.

2.2 General Requirements of Each Vendor

Adherence to the requirements of this RFP

Adherence to the AISD procurement process

2.3 Oral Interview

AISD reserves the right to conduct oral interviews with a select short list of firms to fully discuss their qualifications for this project and to answer questions posed by AISD Board of Directors. A final selection will be made of vendor(s), based upon the written response, oral evaluation, and references of the vendor. If an oral interview is required, notification will be provided to each finalist a minimum of five (5) days before the scheduled interview.

2.4 Contractual Commitment to the Erate Vendor(s)

AISD will sign the Master Customer Agreement (MCA), as well as the Statement of Work (SOW), to the most qualified firm(s) as determined by AISD, for these projects. Under the MCA, the recommended firm(s) and AISD will negotiate a contract detailing

commitments, completion criteria, charges, and any other legal requirements necessary to execute a contract.

3 AISD Background (Optional Section)

Customize with appropriate stats

- The district covers a ____ mile radius and is 100 years old. There is no asbestos or other older-building issues such as thick concrete walls or plaster ceilings.
- students
- schools with 50 classrooms (25 on two floors) and 1000 students each school
- The district employs five level one network technicians to support school needs
- xx schools have 90% students participating in the free/reduced lunch program
- xx schools have 80% students participating in the free/reduced lunch program
- Assume all schools are identical and enrollment will not change
- Assume district staffing will not change
- Assume all schools are one mile from the data center, and all schools are 100' by 100' in dimension on two identical floors

4 Criteria for Selection of E-rate Vendor(s)

AISD has identified the factors itemized in sections 5a to section 5e as critical to a company's ability to effectively assist AISD integrate technology and better prepare students to be successful citizens and productive workers in the 21st century. To be considered for evaluation, companies must provide relevant responses to all sections of this RFP. (100 Evaluation Points Possible)

SEPARATE RESPONSE AND LABEL AS #4A

A. Availability and Quality of Resources (20 POINTS)

AISD is seeking (an) E-rate vendor(s) that has the depth, breadth, and quality of resources necessary to complete all phases of a broad technology and service project. In addition, the timely availability of these resources and related support elements will be critical to project success.

- Describe the various resources from your company that will be made available to assist AISD in the execution of its mission in performance of each SOW.
- Provide sample resumes and related experience summaries to demonstrate the competencies and experience of typical personnel who would be assigned to the AISD program.

SEPARATE RESPONSE AND LABEL AS #4B

B. Skills Transfer Plan (10 Points)

AISD recognizes that a Skills Transfer Plan, specifically designed to meet the needs of technology implementation and ongoing support are critical. Describe how your company would implement an effective skills transfer plan for AISD. Include a

description of the training materials or training manual that would be produced and provided to AISD for future use in a “train the trainer” model.

SEPARATE RESPONSE AND LABEL AS #4C

C. Project Coordination in a Multi-Vendor Environment (15 Points)

AISD requires a project coordination/systems integration function as part of the services delivered by the Vendor(s). Vendor(s) must describe their competencies to manage and coordinate project activities, resources, and communications in a multi-vendor environment. This is not to be a separate charged line item in the bid response, but addresses a company’s ability to coordinate among multiple vendors and the district, in a complex environment. Vendor(s) must address their capabilities in areas to include, but not limited to:

- Project planning and communications
- Quality assurance procedures
- Project coordination experience with school districts
- Project coordination experience as a single vendor or “prime” systems integrator
- Project completion criteria

The Vendor(s) will work closely with AISD project manager to ensure successful project delivery, effective management of project resources and efficient communications between the vendor(s) provider and AISD.

SEPARATE RESPONSE AND LABEL AS #4D

D. Technology Solutions - SOW’s (20 Points)

AISD requires a network that will continue to provide the District with a modern, efficient and reliable network to support data and will eventually provide voice and video information transfer capabilities within the district buildings. Reliability and high performance are key requirements of this networking plan, as the AISD network continues to migrate to the base which must support the technology needs of the future.

AISD requests proposals for the following erate eligible areas:

- 1. Technical Support and Maintenance of the Network** – Technical services necessary to achieve robust and reliable network performance and infrastructure as defined by the District. Vendor services are provided in support of District staff and management. These services are to include ample outsourced technical staff with supplies and tools, documentation services, extended equipment warranties, etc. necessary to provide assessments, problem remediation, and support for existing maintenance system. Vendors will also be required to help identify network problems, accommodate reporting and documenting individual problems, provide diagnostic processes and problem remediation as defined by the District. In addition, Vendors will need to include technical services necessary to support all network

infrastructure and servers included in this project. (See Appendix A for details)

2. **Network Infrastructure Upgrades & New Installations** – School networks require continuous upgrades and occasional new technology. E-rate funding supports upgrades and new installation of necessary infrastructure in 90% discount schools. Components may include:
 - a. **Network Cabling** (Copper, Fiber, etc. installed and supported) (See Appendix B for details)
 - b. **Network Servers** (Hardware, Software, configuration/support/install) (See Appendix C for details)
 - c. **Network WAN/LAN Electronics, UPS, Warranty Upgrades** (See Appendix D for details)
3. **Video solutions** – Centralized system components (e.g. servers and video components necessary in the data center) and site-specific components in 90% funded schools necessary to deliver interactive video in support of student needs. Funding provided for products, services, and ongoing support. (See Appendix E for details)
4. **District Telephony Project** -- Products and Services necessary to enable, install and support Voice over IP. Recent eligibility changes allow this technology for the first time. E-rate funding supports upgrades and new installation of necessary infrastructure in 90% discount schools. Note that E-rate eligible components do not include any end-user devices such as telephone handsets. (See Appendix F for details)

SEPARATE RESPONSE AND LABEL AS #4E

E. District funding considerations (30 Points)

AISD requires each vendor to provide effective assistance in securing erate funding for technology integration throughout the school district. In addition AISD desires to understand the up front investment that must be made with district funds to be prepared to take advantage of other funding opportunities.

- 1). Describe in detail what the district can expect in the level of assistance that will be provided by the vendor to secure erate funding. Identify how much effort will be required by AISD in obtaining this funding. Specify the services available to the district for project planning, specialized program assistance, and other services provided to the district dealing with the erate program.

- COST {
- a. Specify the Costs to the District for all services discussed in the previous item (#1).
 - b. Specify the Costs to the District for all SOW's bid on as described by Letter D - Technology Solutions. (See Appendix O – Total Cost Sheet)
 - c. Provide at least 3 references where the Vendor has been successful in securing funding for technology projects.

SEPARATE RESPONSE AND LABEL AS #5F

F. Other Vendor Attributes (5 Points)

AISD has also determined that a company's background, experience, and financial stability are essential for the success of a long-term relationship with its selected Vendor(s). Vendors responding to this RFP should include information about their company's experience, financial stability, and quality of services and products and satisfaction of their clients. A minimum of three (3) references must be provided. Preferred references would be other school districts. Vendors must provide project scope and contract information.

5 Proposal Evaluation Model

A committee designated to evaluate the response to this RFP will select up to three (3) vendors as finalists. The finalists may be required to present and answer questions regarding their RFP responses. The committee will select vendor(s) to perform the work for AISD from the finalists.

AISD reserves the right to select outright a single Vendor, and to waive the finalists state of the evaluation process in the event a vendor has a total points scored significantly higher than all the other vendors responding to this RFP.

AISD in its sole discretion may accept or reject any or all responses to this RFP and may waive all formalities, technicalities and irregularities. All bidders are placed on notice that award of the RFP will be based upon the products and services best suited to AISD. The sole judgment of AISD on such matters shall be final.

DOES YOUR OFFER COMPLY WITH ALL OF THE TERMS AND CONDITIONS? IF NO, INDICATE EXCEPTIONS.

DOES YOUR OFFER MEET OR EXCEED ALL SPECIFICATIONS? IF NO, INDICATE EXCEPTIONS.

Appendix 2
Original Funding Commitment
March, 2004



Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER

(Funding Year 2003: 07/01/2003 - 06/30/2004)

March 3, 2004

ALAMOGORDO PUBLIC SCHOOL DIST
TONY KORWIN
1211 HAWAII AVE
ALAMOGORDO, NM 88310

Re: Form 471 Application Number: 377799
Funding Year 2003: 07/01/2003 - 06/30/2004
Billed Entity Number: 143365
Applicant's Form Identifier: APSNETWORK2

Thank you for your Funding Year 2003 E-rate application and for any assistance you provided throughout our review. Here is the current status of the funding request(s) featured in the ~~Funding Commitment Report~~ at the end of this letter.

- The amount, \$1,038,147.24 is "Approved".

Please refer to the ~~Funding Commitment Report~~ on the page following this letter for specific funding request decisions and explanations.

NEW FOR FUNDING YEAR 2003

The Important Reminders and Deadlines immediately preceding this letter are provided to assist you throughout the application process.

NEXT STEPS

- Review technology planning requirements
- Review CIPA Requirements
- File Form 486
- Invoice the SLD using the Form 474 (service providers) or Form 472 (Billed Entity)

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the Funding Request Number(s) (FRNs) from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

TO APPEAL THIS DECISION:

If you wish to appeal the decision indicated in this letter, your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which Funding Commitment

Decision(s) you are appealing. Indicate the relevant funding year and the date of the FCDL. Your letter of appeal must also include the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from the top of your letter.

3. When explaining your appeal, copy the language or text from the Funding Commitment Report that is at the heart of your appeal, to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, sent to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Universal Service Support Mechanism. Applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. The SLD may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by the SLD, the applicant, or the service provider. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each E-rate funding request from your application is attached to this letter. We are providing the following definitions for the items in that report.

FORM 471 APPLICATION NUMBER: The unique identifier assigned to a Form 471 application by the SLD.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.

FUNDING STATUS: Each FRN will have one of the following definitions:

1. An FRN that is "Funded" will be approved at the level that the SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for this Funding Year was insufficient to fund all requests.
3. An FRN that is "As Yet Unfunded" reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and a message that your Internal Connection requests are "As Yet Unfunded." You would receive one or more subsequent letters regarding the funding decision on your Internal Connections requests.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.

EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT: The first possible date of service for which the SLD will reimburse service providers for the discounts for the service.

CONTRACT EXPIRATION DATE: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service provided in the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23I, as determined through the application review process.

DISCOUNT PERCENTAGE APPROVED BY THE SLD: This is the discount rate that the SLD has approved for this service.

FUNDING COMMITMENT DECISION: This represents the total amount of funding that the SLD has reserved to reimburse service providers for the approved discounts for this service for this funding year. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 377799
Funding Request Number: 1036354 Funding Status: Funded
Services Ordered: Internal Connections
SPIN: 143005691 Service Provider Name: Desert Communications Inc.
Contract Number: na
Billing Account Number: 143365
Earliest Possible Effective Date of Discount: 07/01/2003
Contract Expiration Date: 06/30/2004
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$805,950.00
Pre-discount Amount: \$805,950.00
Discount Percentage Approved by the SLD: 78%
Funding Commitment Decision: \$628,641.00 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: The shared discount was corrected. The estimated one-time charge was changed to reflect the documentation provided by the applicant.

Funding Request Number: 1036383 Funding Status: Funded
Services Ordered: Internal Connections
SPIN: 143005691 Service Provider Name: Desert Communications Inc.
Contract Number: na
Billing Account Number: 143365
Earliest Possible Effective Date of Discount: 07/01/2003
Contract Expiration Date: 06/30/2004
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$525,008.00
Pre-discount Amount: \$525,008.00
Discount Percentage Approved by the SLD: 78%
Funding Commitment Decision: \$409,506.24 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: The shared discount was corrected. The estimated one-time charge was changed to reflect the documentation provided by the applicant.

Chapparral
Calculation error
1 school with

USAC

RECEIVED

APR 12 2004

Universal Service Administrative Company

Schools & Libraries Division

BY.....

FUNDING COMMITMENT DECISION LETTER

(Funding Year 2003: 07/01/2003 - 06/30/2004)

March 30, 2004

ALAMOGORDO PUBLIC SCHOOL DIST
TONY KORWIN
1211 HAWAII AVE
ALAMOGORDO, NM 88310

Re: Form 471 Application Number: 377841
Funding Year 2003: 07/01/2003 - 06/30/2004
Billed Entity Number: 143365
Applicant's Form Identifier: APSVIDEO2

Thank you for your Funding Year 2003 E-rate application and for any assistance you provided throughout our review. Here is the current status of the funding request(s) featured in the Funding Commitment Report at the end of this letter.

- The amount, \$379,241.00 is "Approved".

Please refer to the Funding Commitment Report on the page following this letter for specific funding request decisions and explanations.

NEW FOR FUNDING YEAR 2003

The Important Reminders and Deadlines immediately preceding this letter are provided to assist you throughout the application process.

NEXT STEPS

- Review technology planning requirements
- Review CIPA Requirements
- File Form 486
- Invoice the SLD using the Form 474 (service providers) or Form 472 (Billed Entity)

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the Funding Request Number(s) (FRNs) from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

TO APPEAL THIS DECISION:

If you wish to appeal the decision indicated in this letter, your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which Funding Commitment

Decision(s) you are appealing. Indicate the relevant funding year and the date of the FCDL. Your letter of appeal must also include the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from the top of your letter.

3. When explaining your appeal, copy the language or text from the Funding Commitment Report that is at the heart of your appeal, to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, sent to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Universal Service Support Mechanism. Applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. The SLD may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by the SLD, the applicant, or the service provider. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each E-rate funding request from your application is attached to this letter. We are providing the following definitions for the items in that report.

FORM 471 APPLICATION NUMBER: The unique identifier assigned to a Form 471 application by the SLD.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.

FUNDING STATUS: Each FRN will have one of the following definitions:

1. An FRN that is "Funded" will be approved at the level that the SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for this Funding Year was insufficient to fund all requests.
3. An FRN that is "As Yet Unfunded" reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and a message that your Internal Connection requests are "As Yet Unfunded." You would receive one or more subsequent letters regarding the funding decision on your Internal Connections requests.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.

EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT: The first possible date of service for which the SLD will reimburse service providers for the discounts for the service.

CONTRACT EXPIRATION DATE: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service provided in the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23I, as determined through the application review process.

DISCOUNT PERCENTAGE APPROVED BY THE SLD: This is the discount rate that the SLD has approved for this service.

FUNDING COMMITMENT DECISION: This represents the total amount of funding that the SLD has reserved to reimburse service providers for the approved discounts for this service for this funding year. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 377841
Funding Request Number: 1044434 Funding Status: Funded
Services Ordered: Internal Connections
SPIN: 143005691 Service Provider Name: Desert Communications Inc.
Contract Number: na
Billing Account Number: 143365
Earliest Possible Effective Date of Discount: 07/01/2003
Contract Expiration Date: 06/30/2004
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$475,950.00
Pre-discount Amount: \$475,950.00
Discount Percentage Approved by the SLD: 78%
Funding Commitment Decision: \$371,241.00 - FRN approved as submitted